Property Administration (PA)

Capital Rehabilitation and Preventative Maintenance of Government Property

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Property Administration (PA)

Terminal Learning Objective (TLO):

- Recognize what Capital Rehabilitation and Preventative Maintenance of Government Property is and, how it is processed and documented.

Enabling Learning Objectives (ELO):

- ELO #1 – Define what Capital Rehabilitation and Preventative Maintenance of Government Property is.
- ELO#2 – Recognize how Capital Rehabilitation and Preventative Maintenance is documented and processed .

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Definition of Capital Rehabilitation

- assets that have worn out due to reasonable constant use and require major overhaul for continued use.

Definition of Preventative Maintenance

- assets requiring periodic maintenance in order to preserve its useful life and prevent premature wear and tear.

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- **Capital Rehabilitation**
  - **Requested for items requiring major overhaul and the cost is either less than procuring a new asset or the assets may no longer be available for purchase, however the is required to perform mission requirements.**
  - **The PA should review the contractor's request to ensure:**
    - **that all required maintenance has been preformed IAW; the contract, manufacturers, and contractor's procedures.**
    - **That the contractor has made every effort to cross level excess assets.**
    - **Determine if the asset is still required to support the mission.**
    - **Verify that the contractor tried to obtain the part(s) internally.**

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- **Make a recommendation to the ACO that rehabilitation, is in the best interest of the Government or that due to the amount of previous repairs it would make sense to re-procure a new asset.**
- **The KO/ACO must approve the request for Capital Rehabilitation**
- **Methodology:**
  - **Obtain from the contractor their maintenance and repair log for the asset in question. The log will contain the amount of labor hours (LH) invested into the asset**
  - **From the ACO obtain the direct labor rate (DLR)**
  - **multiply the DLR times the hours, add value of previous material consumed (PMC) that will give the total value invested to date (VID).**
  - **Run the same formula on the CTR request.**
  - **Add the historical VID to the current estimate for the total cost to the Government if this figure exceeds XX% of the acquisition cost recommend that the ACO deny this request.**

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- **Preventative Maintenance**
  - **Contractor is required to maintain a system for providing PM IAW his Property Plan and FAR requirements**
  - **All PM should be documented for property identified as needing PM i.e. vehicles, small engine items etc.**
  - **The PA should seek technical assistance in determining compliance or adequacy of the maintenance being performed from the DCMA QAR when necessary.**

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- **Maintenance of Non-Contract Property (LOGCAP SPECFIC)**
  - **Property accountable to a military unit**
  - **Property accountable to another contractor**
  - **Property accountable to another country**
- **Contractor may be tasked to repair or perform routine maintenance on non-contract property**
  - **Maintenance must be authorized by the Contracting Officer**
  - **This authorization is accomplished through a Letter Of Technical Direction (LOTD)**

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- **Contractor does not pick up and establish official contract accountability records for this property-It does not belong to the contract.**

- **Contractor will maintain custodial records for these assets while in their possession to include records of maintenance.**

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Lesson Summary

- Definition of Capital Rehabilitation of Government Furnished Property
  - assets that have worn out due to reasonable constant use and require major overhaul for continued use.
- The PA should review the contractor's request to ensure:
  - that all required maintenance has been preformed IAW contractor and manufacturers procedures.
  - Whether or not other idle assets are available in theater to replace the asset with.
- The KO/ACO must approve the request for Capital Rehabilitation

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Lesson Summary

- Definition of Preventative Maintenance of Government Furnished Property
  - assets requiring periodic maintenance in order to preserve its useful life and prevent pre mature wear and tear.
- The PA should review the contractor's maintenance records periodically to determine compliance to system, accuracy of the records etc.
  - The PA should seek technical assistance in determining compliance or adequacy of the maintenance being performed from the DCMA QAR when necessary.
- For assets not accountable to the contract the Contractor will maintain custodial records for these assets while in their possession to include records of maintenance.

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TEST TIME!

- Circle your answer for each test item.

- The test is student graded (trade/pass to your nearest student).
  - ✓ correct answers. "X" incorrect answers.

- All tests are collected at the end of the lesson.

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1. Capital Rehabilitation does not require KO/ACO approval? (True/False)

False

2. Capital Rehabilitation is usually requested when:

A. Items requiring major overhaul but the cost is either less than procuring a new asset

B. May not be available for purchase but, the need of the asset is still required.

C. Both A&B

D. Neither A&B

C. Both A&B

3. The PA should review the contractor's request for CR to ensure that all required maintenance has been preformed IAW contractor and manufacturers procedures?

True/False)

True

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4. Contractor is required to maintain a system for providing PM IAW his Property Plan and FAR requirements?

(True/False)

True

5. All PM should be documented for property identified as needing PM i.e. vehicles, small engine items etc.

(True/False)

True

6. The contractor is not required to keep any records for property that is in his possession i.e. for maintenance unless it is accountable under the contract?

(True/False)

False

7. If the PA needs assistance in determining contractor compliance and adequacy of maintenance being performed he/she should contact the contractor for help?

(True/False)

False

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